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DMH**
LOS ANGELES COUNTY
DEPARTMENT OF
MENTAL HEALTH

DEPARTMENT OF MENTAL HEALTH POLICY/PROCEDURE

SUBJECT COLLECTING AND REPORTING OF SALES TAX	POLICY NO. 800.06	EFFECTIVE DATE 03/01/2003	PAGE 1 of 2
APPROVED BY:  Director	SUPERSEDES 400.8 03/01/2003	ORIGINAL ISSUE DATE	DISTRIBUTION LEVEL(S) 1

PURPOSE

- 1.1 To implement Auditor-Controller instructions of February 26, 2002 regarding reporting of actual sales and sales tax.

POLICY

- 2.1 All Departmental Managers or designees who are engaged in selling merchandise as described in the Auditor-Controller's February 26, 2002 instructions (Attachment I) have the responsibility to ensure that actual sales and sales tax are appropriately receipted, deposited and reported to the Chief of the Accounting Division.
- 2.2 The Chief of the Accounting Division shall be responsible for reporting to the Auditor-Controller all sales and sales tax collected by the Departmental Managers or designees from sales of merchandise as described in Attachment I.

PROCEDURES

- 3.1 When engaging in the sale of any merchandise described in Attachment I, the Departmental Manager or designee shall ensure that sales are properly documented on the Sales Tax Form (Attachment II), deposited and reported to the Accounting Division as required.
 - 3.1.1 A departmental receipt shall be issued to each buyer to record the sales and related sales tax.
 - 3.1.2 Sales of \$500 or more shall be deposited on the same day of the sale.
 - 3.1.3 Sales of less than \$500 shall be deposited within the week of the sale but no later than the last business day of the week.
 - 3.1.4 All sales are to be deposited in the designated local bank or the Treasurer-Tax Collector, as appropriate.



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- 3.1.5 On the next business day immediately following the deposit of the sales, corresponding sales and sales tax information shall be transmitted to the Accounting Division at the following address:

County of Los Angeles Department of Mental Health
Financial Services Bureau
550 S. Vermont Ave., 8th Floor
Los Angeles, CA 90020
Attention: Accounting Division

- 3.2 Upon receipt of the transmittal of sales and sales tax information from the various Departmental Managers or designees, the Chief of the Accounting Division shall report the sales and sales tax to the Auditor-Controller in a timely manner.

ATTACHMENT

[Attachment I - Auditor-Controller letter dated February 26, 2002](#)
[Attachment II - Sales Tax Form](#)

REVIEW DATE

This policy shall be reviewed on or before March 15, 2008.